

FORTIS INC.)
AND)
ITC MIDWEST, LLC)
)
)
)
Application pursuant to Section 7-204 of the Public)
Utilities Act for authority to engage in a)
Reorganization, and for such other approvals as may)
be required under the Public Utilities Act to)
effectuate the Reorganization.)

ICC Docket No. 16-0315

Fortis Inc. (“Fortis”), ITC Midwest, LLC (“ITC Midwest”) (collectively, the “Joint Applicants”), and Jo-Carroll Energy, Inc. (NFP) (“Jo-Carroll”) hereby submit to the Illinois Commerce Commission (“ICC” or “Commission”) the instant Joint Stipulation.

4851-8975-0068.4

In accordance with the foregoing and other representations and agreements between Joint Applicants and Jo-Carroll, Joint Applicants and Jo-Carroll state that they agree to the inclusion of the following conditions as part of the Commission's Order granting the approvals and other relief sought by the Joint Applicants in the instant proceeding. Terms not defined herein shall have the definitions set forth in the Joint Applicants' Application.

Agreed Conditions

Condition 1. For three (3) years from the effective date of the Reorganization, no voluntary workforce reductions, employee restructuring, or job elimination programs will be implemented by ITC Midwest in Illinois or at facilities in Iowa that house employees that provide service in Illinois.

Condition 2. For one year from the effective date of the Reorganization, ITC Midwest will provide charitable contributions through the ITC Midwest Charitable Giving Program (and any other ITC Midwest community support program) within the communities in which it operates at a level in the aggregate that is no less than the levels currently provided by ITC Midwest. For three (3) years from the effective date of the Reorganization, with respect to the ITC Midwest Charitable Giving Program (and any other ITC Midwest community support program), Fortis Inc. will not restrict or in any way attempt to limit or control the discretion of the management of ITC Midwest and ITC Holdings over such programs.

Condition 3. For three (3) years from the effective date of the Reorganization, ITC Midwest will maintain its present service center, warehouse, and laydown yard in Dubuque, Iowa. For ten (10) years from the effective date of the Reorganization, ITC Midwest will maintain its headquarters in Cedar Rapids, Iowa.

Condition 4. Consistent with the Joint Applicants' hold harmless commitment made in FERC Docket No. EC16-110, Joint Applicants commit that neither ITC Midwest nor any other Fortis-affiliated entity will, at any time, seek to recover any transaction costs associated with consummating the Reorganization (including transition costs), through FERC or any other federal or state regulatory body.

Condition 5. It is Fortis Inc.'s policy that a subsidiary operating utility company such as ITC Midwest will maintain both standalone credit facilities and senior long-term debt instruments and will not be made responsible for any debt or other obligations of its parent or affiliate companies, and this policy is consistent with applicable federal law and FERC regulations. Fortis Inc. has no plans to change that policy, and for purposes of this Joint Stipulation commits that it will not seek to change its policy for three (3) years and during such time ITC Midwest will continue to maintain both standalone credit facilities and senior long-term debt instruments, and will not make loans under its financing arrangements to Fortis or its affiliates or guarantee any debt of Fortis or its affiliates. The parties to this Joint Stipulation agree and acknowledge that this obligation and any violations of it shall be enforceable only at FERC, for example through a Section 206 complaint under the Federal Power Act.

Condition 6. Neither Joint Applicants nor any of their affiliates will at any time attempt to circumvent any condition contained herein or any commitment made in Docket No. 16-0315 through any action at FERC or another state or federal regulatory body or state or federal court.

Condition 7. For three (3) years from the effective date of the Reorganization, ITC Midwest will make an annual filing in the instant docket that includes a report as to compliance with the conditions imposed by the Commission Order approving the Reorganization.

Condition 8. Joint Applicants will follow applicable federal law and FERC regulations and standard procedure affecting the treatment of operating expense savings to ITC Midwest stemming from the Reorganization.

The parties to this Joint Stipulation agree that the terms of this Joint Stipulation shall bind the parties only upon the Commission's issuance of a final, unappealable Order granting the complete approvals and other relief sought by the Joint Applicants in the instant proceeding, subject to the agreed-to conditions set forth herein, and such other conditions as may be imposed by the Commission that, (a) in the sole discretion, acting reasonably, of the Joint Applicants, are consistent with and not material impediments to the timely consummation of the Reorganization that is the subject of the instant proceeding ("Approval Order"); and (b) in the sole discretion, acting reasonably, of Jo-Carroll, are not materially harmful to the business interests of Jo-Carroll relative to the status quo prior to the filing of the Joint Application in the instant proceeding; provided, however, Jo-Carroll hereby acknowledges that the approval of the Reorganization as requested in the Joint Application and consistent with the conditions set forth herein is consistent with the business interests of Jo-Carroll, and Jo-Carroll agrees that in no case shall Jo-Carroll deem such an approval to be materially harmful to the business interests of Jo-Carroll. In the event that the Commission does not issue such an Approval Order, no party shall be further bound by the terms and conditions set forth in this Joint Stipulation, either individually or collectively, and the parties shall retain all rights with respect to any appeal of any Commission Order unbound by and unimpeded by any condition or conditions or other agreements reflected in this Joint Stipulation, which shall no longer be in force and which shall be without prejudice to Joint Applicants or to Jo-Carroll.

In the event the Commission issues an Approval Order, Jo-Carroll shall not, through direct, indirect, or collateral action, seek to modify or attack such Approval Order, either through action before the Commission or before any other state or federal agency or court, in this or any other related or unrelated case or proceeding.

This Joint Stipulation is entered into by the parties hereto for the purpose of resolving potentially contested issues in the context of the instant regulatory proceeding. Neither the Joint Stipulation itself, nor any condition set forth herein, nor any information provided in negotiation of the Joint Stipulation (collectively “Joint Stipulation-related Information”) shall constitute or be construed as an admission with respect to any factual or legal issue in the instant or any other current or future regulatory or legal proceeding of any type, whether or not related to the instant proceeding. The Joint Stipulation-related Information shall not be construed to confer jurisdiction to the Commission over any issues that otherwise appropriately would be addressed before FERC or any other regulatory body. The Joint Stipulation-related Information shall not be used in discovery or in evidence by any party in any such current or future proceeding, except in connection with proceedings related to performance, implementation, or enforcement of the agreement reflected by this Joint Stipulation. This provision shall survive and remain effective notwithstanding any failure of the remaining provisions, in whole or part, of this Joint Stipulation.

Respectfully submitted:

FORTIS INC.

Signed By: _____

Print Name: David C. Bennett

Title: Executive Vice President, Chief Legal Officer & Corporate Secretary

Dated: 29 June 2016

Respectfully submitted:

ITC MIDWEST, LLC

a Michigan limited liability company
By: ITC Holdings Corp., its sole member

Signed By: Christine Muen Soneca

Print Name: Christine Muen Soneca

Title: Senior Vice President and General Counsel

Dated: 6.29.16

Respectfully submitted:

JO-CARROLL ENERGY, INC. (NFP)

Signed By: Michael W. Hastings

Print Name: Michael W. Hastings

Title: President and CEO

Dated: 6-28-16